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United States
Department of
Agriculture

Office of
Governmental
and Public Affairs

Major News Releases and Speeches

April 16 - April 30, 1982

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Speeches

U.S. Department of Agriculture • Office of Governmental and Public Affairs

Remarks prepared for delivery by Secretary of Agriculture John R. Block, before the Newspaper Farm Editors of America, Washington, D.C., April 26, 1982

Tonight I want to announce a new education and demonstration program just developed by USDA. We call it TRAP—meaning Total Residue Avoidance Program. It's designed to assist farmers in preventing drug and chemical residues in animals going to slaughter.

We all know that today's high technology farming depends on the use of drugs and chemicals for disease and pest control. But this also calls for a responsibility on the part of our farmers and ranchers to use these drugs and chemicals in a responsible way.

Proper use will help everyone. It will help producers save millions of dollars annually by not having their products rejected at the marketplace. And for the consumer, it will mean more confidence in the food supply.

Our goal with this program is to help the producer trap drugs and chemicals on the farm before they become problems. Preventing problems is much better than reacting to them.

TRAP is also another example of how government and industry can work together. Our Food Safety and Inspection Service and Extension Service have asked the cooperation of groups such as the National Pork Producers Council, the National Milk Producers Federation, the National Cattlemen's Association and the National Broiler Council. We have asked them to get our program information and technical assistance disseminated as widely as possible.

Besides on-farm assistance, we're also developing new methods for producers to quickly test their animals for residues. In fact, our USDA-sponsored research on simple and accurate residue tests is an on-going part of the program.

As I said, our producers must use drugs and chemicals to produce an inexpensive and safe food supply. But we want to make certain that these products are used safely.

Shifting gears, I'd like to say a few words about our nation's dairy situation. As you'll recall, a couple weeks ago I said we'd probably have an emergency dairy plan ready in about 14 days. And I'm sure it didn't take you long to figure out that the 14th day falls just about right now.

I wish I could tell you tonight that we are prepared to make an announcement—but I can't. I can tell you we are close, but a few details still need to be ironed out before the plan meets with my satisfaction. And quite frankly, I won't let my self-imposed deadline force me into presenting a plan that could fall short of what we expect it to accomplish.

The severity of the current dairy situation demands that we give it our best shot. When I say "severity"—I'm talking about much, much more than just the \$2 billion we expect to spend on the program this year. I'm talking about the livelihood of many dedicated producers—farmers who have sacrificed more over the years than many of us could ever realize.

Let me tell you—our nation's dairy producers know that the road is going to be rough, regardless of what kind of plan we present. And I have a great respect for their courage as they face this period of adjustment. We all know that they are not the cause of this problem. They are, instead, victims of a situation that began to build after the Food and Agriculture Act of 1977. The problem itself was caused by those who did not have the foresight of what would happen with the passage of that legislation.

I might also add that this Administration has to be characterized as a victim of that 1977 legislation. It is difficult for a Secretary of Agriculture to be locked in. . .to not have the ability to make the program more flexible. We inherited the program, and it's now up to us to reshape it by working with—not against—the best long-term interest of dairy. The willingness of our dairy producers to meet this challenge was clearly seen at the dairy symposium we conducted several weeks ago in Kansas City. When my staff returned from that meeting, they were convinced that the producers themselves were ready to swallow the necessary medicine to get the problems corrected.

The symposium produced many presentations from knowledgeable leaders of the industry, and those proposals have been given careful consideration. We learned a lot in Kansas City. We learned from the

speakers at the podium. . .from the comments in the audience. . .from the discussions in the corridors, at the lunch tables and in the coffee shops.

The overriding mood was that—whatever the solution will be—it has to be bold! Let me tell you—we can't afford not to be bold. That's not what Jack Block is saying. . .that's what the figures are saying. Unless we get this situation turned around, we're going to be spending nearly \$6 billion between now and 1985. And with all that spending, we won't be giving the dairy farmer what he really wants—prosperity at the marketplace.

Right now we have 365 million pounds of butter in government storage. We've got 625 million pounds of cheese and 975 million pounds of nonfat dry milk. And those inventories are growing day by day. If we don't stop it now, by 1985 we're going to have the equivalent to 30 billion pounds of milk in storage. We just can't let that happen!

What we have before us is a problem that is greater than what the dairy industry or the government can tackle individually. It is greater than any special interest. . .greater than any single cure. . .and greater than any solution tried so far. But it is not greater than our combined will to resolve it. The time has come for all of us to extend our hands and do what we can to help. If we do this, I'm confident that we'll get the job done.

I have met with your organization on a number of occasions—both as Secretary of Agriculture and as Director of Agriculture in Illinois. So you know that I'm an optimist. . .I have been all of my life. . .I'm always going to be.

But my kind of optimism does not mean we stand still, peak around the corner, and hope to see that light at the end of the tunnel. That's not how agriculture works.

To me, optimism means that agriculture is the light at the end of the tunnel. And the rest of the nation is looking at us to see what we're going to do. I firmly believe that agriculture has to show the rest of the economy that it can be done!

So let's train our thoughts on some of the good signs. . .let's talk about them. . .let's write about them. . .let's do everything that we

can to encourage them. Just look at the good signs that are now appearing for agriculture:

- The general inflation rate is declining rapidly. I'm sure you all saw the welcome news over the weekend. The Consumer Price Index actually fell for the first time in 17 years.

- Short-term interest rates, while still high, have fallen from their peak last summer. A reduction in these rates will boost export demand for farm products.

- The strong response of farmers to the 1982 acreage reduction programs should help reduce the large, price-depressing supplies.

- Prices have strengthened since March. From mid-March to late April, cash corn prices have gained about 10 cents; wheat has gained about a nickel and soybeans have moved up about 30 cents.

- Foreign demand for U.S. crops continues strong. For the 1982 fiscal year, wheat volume should rise by more than 10 percent. Soybean exports are expected to be up about 20 percent, and cotton exports should be up 15 percent.

- Choice fed steer prices at Omaha have increased more than 15 percent during the first four months of 1982. And cattle feeders are making the first sustainable positive profit margins since mid-1979.

- Barrow and gilt prices have risen about 25 percent since the beginning of the year. Corn Belt hog feeding margins turned positive in February, the first time since November of 1980.

- The poultry industry has turned the corner. They voluntarily cut their production to get supply-and-demand figures into line. . .and now they're showing a profit.

- The economy in general is beginning to recover from the current recession. The scheduled tax cuts this July and again in 1983 will boost consumer purchasing power. This will lead to increased demand for farm products and strengthen farm-level prices.

True, we can't ignore the fact that agriculture has been in a valley. But I can assure you that we haven't been sitting in that valley and pouting. We've been climbing. . .and we'll keep climbing until we're out. We've got a tremendous recovery program working for us. We've got an Administration that understands agriculture. We've got great

challenges spreading all over our future. And we're going to tackle them—one by one.

Thank you.

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Testimony

U.S. Department of Agriculture • Office of Governmental and Public Affairs

Statement by Mary C. Jarratt, Assistant Secretary for Food and Consumer Services, USDA, before the House Subcommittee on Domestic Marketing, Consumer Relations and Nutrition, April 28, 1982

Mr. Chairman:

Thank you for the opportunity to discuss with you and this committee the commodity supplemental food program. Accompanying me today are Samuel Cornelius, administrator of the Food and Nutrition Service; George Braley, deputy administrator for special nutrition programs; Barbara Sandoval, director of supplemental food programs, and Michael Wargo, director of the office of analysis and evaluation. Today, I would like to describe the commodity supplemental food program, discuss its history and current status and outline the administration's proposal to consolidate the commodity supplemental food program, the women, infants and children's program and the Department of Health and Human Service's maternal and child health block grant into a new consolidated maternal and child health block grant to be administered by HHS.

The commodity supplemental food program provides nutrition education and commodity supplemental foods to low-income infants, to children up to age six, and to pregnant, breastfeeding and postpartum women. The U.S. Department of Agriculture purchases commodities for distribution through (1) state-designated agencies which administer the program; (2) to Indian groups recognized by the Department of the Interior; or (3) to the appropriate area office of the Indian Service of the Department of Health and Human Services. There currently are 12 states participating in the commodity supplemental food program.

History Of The Commodity Supplemental Food Program

The first specific legislation for a supplemental food program was in the Agricultural Appropriation Act for Fiscal Year 1969. The U.S. Department of Agriculture officially established the supplemental food program by administrative action on Jan. 18, 1969, by amending part

250 of the commodity program regulations. The supplemental food program provided special iron and protein-rich commodities to mothers and children up to age six. Eligibility was determined at local public health clinics or similar facilities, while other local agencies were responsible for handling the transportation, warehousing and distribution of commodity food items. Participants could receive surplus commodities, including canned meat, vegetables and fruits, peanut butter, egg mix, dry milk, juice, evaporated milk and corn syrup.

In 1970, the SFP reached 142,000 mothers and children in 258 localities. A review of program costs at the time indicated that costs were higher than budgetary allotments. Farm surpluses were declining and the supply of commodities available for the SFP by purchase with section 32 funds became restricted. Consequently, USDA announced a holding action on program expansion in the spring of 1970. The number of areas operating the supplemental food program began to decline.

Legislation mandating the food stamp program in all political subdivisions was enacted in August 1973. As a result, more food distribution areas switched to food stamps and, consequently, discontinued operating the supplemental food program. Also, many SFP areas decided to switch over to the special supplemental food program for women, infants and children.

In July 1974, legislation was passed which extended the programs through fiscal year 1977. Legislation also required the use of section 32 funds and funds of the Commodity Credit Corporation for purchasing commodities in fiscal year 1975. USDA attempted to terminate the SFP by not requesting funds for fiscal year 1976 and by giving all SFP projects the option of switching to the WIC program. A ruling resulting from the lawsuit *Durham vs. Butz* in March 1976 reversed the USDA's policy. However, by 1977 only 43 local projects remained.

Legislation extended the supplemental food program through fiscal year 1981, renamed the program the commodity supplemental food program and provided for administrative expenses by USDA to state or local agencies administering the program not to exceed 15 percent of the value of food made available during the year. In fiscal year 1981, there were 12 states administering CSFP. Average monthly participation was 113,000 participants at a total program level of \$27.4 million.

The Agriculture and Food Act of 1981 made minor changes to the previous CSFP legislation. There was a technical revision to the administrative funding provision—15 percent of the amount appropriated for commodities is available for administration. Anti-fraud clauses also were added.

In fiscal year 1982, the monthly participation is expected to average 124,300.

At the present time there are 26 local projects in 12 states with an authorized annual case load of 146,125 people. The Agriculture and Food Act of 1981 extended CSFP authorization until 1985 and allowed USDA to initiate two pilot projects for commodity distribution to low-income elderly persons.

The Administration's Proposal For CSFP

It is clear that the proliferation of special-purpose categorical programs during past years has created a patchwork quilt of duplicative and overlapping services which frequently are encumbered by too many conditions, regulations and staffing requirements for effective and equitable management. This administration is convinced that it is time to shift the focus of nutrition and health programs toward meeting the legitimate needs of targeted local populations and away from maintaining existing categorical programs for their own sake by expending funds obligated at the national level for various federal initiatives. The administration is convinced that state and local governments are best able to establish and implement priorities of service for their populations.

The fiscal year 1983 budget request proposes that the commodity supplemental food program be consolidated with the USDA sister program, the special supplemental food program (WIC), and the maternal and child health program administered by the Department of Health and Human Services. Each program serves the same target population and shares a common purpose. The budget proposes to fold the funding for these programs into a \$1 billion maternal and child health block grant to be administered by the Department of Health and Human Services.

We believe that the proposed change will strengthen program administration by reducing federal regulatory, legal and reporting

requirements now imposed on states and agencies. Duplications can be eliminated, lower priorities can be eliminated and gaps in needed local services can be filled.

Under the maternal and child health block grant, the effectiveness of state and local health programs will be increased by assuring coordination of WIC and CSFP with other health services for pregnant or lactating women and their young children. Evidence indicates that the combination of supplemental feeding and prenatal or postnatal health care is more effective in improving health status than either one alone. Already, WIC and maternal and child health funds are channeled through state health agencies, but each program has its own regulatory and paperwork requirements. This proposal would reduce these duplicative federal requirements on states and allow them to target resources towards the specific maternal and child health problems in each state.

Mr. Chairman, I will close at this point by submitting detailed written responses to the questions you asked in your letter inviting my testimony and by asking if there are any other issues you or your committee would like to discuss this morning.

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Statement by John W. Bode, Deputy Assistant Secretary for Food and Consumer Services, before the Subcommittee on Domestic Marketing, Consumer Relations and Nutrition, April 29, 1982

Mr. Chairman and Members of the Subcommittee:

I am John W. Bode, deputy assistant secretary for food and consumer services of the U.S. Department of Agriculture. I am pleased to be here today to discuss with you the Puerto Rico Nutrition Assistance Grant, the commonwealth's plans to implement this program, and House Resolution 423. This resolution would seek assurances from the commonwealth that any assistance provided under their block grant plan be used only to purchase food.

In the past, the Congress expressed concern about the size and expense of the food stamp program in the Commonwealth of Puerto Rico. In response to these concerns, the Omnibus Budget

Reconciliation Act of 1981 authorized a nutrition assistance grant for Puerto Rico beginning in July of this year. The grant eliminates the detailed federal regulations, accounting and reporting previously required for the food stamp program. Further, it provides the commonwealth with broad flexibility to establish a food assistance program that is specifically tailored to the needs of low-income families.

The provisions establishing the block grant provide funding for 100 percent of the cost for food assistance benefits and 50 percent of the administrative expenses related to the provision of food assistance. The commonwealth may receive up to \$206.5 million for the last quarter of fiscal year 1982 and up to \$825 million for each fiscal year thereafter. In order to receive federal payments in any fiscal year, the commonwealth also is required by statute to submit to the U.S. Department of Agriculture a plan of operation for its nutrition assistance program. The statute further requires that the initial plan—covering the last quarter of fiscal year 1982 and all of fiscal year 1983—was to be submitted to USDA no later than April 1.

Following receipt of the Puerto Rico plan, the USDA was required to approve or disapprove the initial plan no later than 30 days from the date the commonwealth submitted it to us. The statute also requires the following elements to be included in the Puerto Rico plan of operation:

- the name of the agency within the commonwealth responsible for administering the program,
- an assessment of food and nutrition needs of needy persons,
- a description of how funds will be distributed to needy persons,
- and a budget.

As I noted earlier, Puerto Rico was provided with a broad flexibility and latitude in the design of its nutrition assistance program. On March 24, Governor Carlos Romero-Barcelo of Puerto Rico submitted to the department a plan for implementing the nutrition assistance grant. The plan covers 15 months of program operation from July 1, 1982 through Sept. 30, 1983. While the Puerto Rico plan chooses cash benefits rather than conventional food stamps, we do not view this change as a precedent for the mainland. We know that there are some who are disturbed that Puerto Rico has chosen cash over food coupons, but we feel that it would be a breach of faith to disapprove the plan simply because it chooses a different benefit form. After all, Puerto Rico was

given the charge to develop a plan with a minimum of restrictions imposed by the USDA, and Puerto Rico knows better what is feasible and appropriate in Puerto Rico than those of us in USDA. Finally, it will be Puerto Ricans who will have to live with the plan, not those of us in the department.

The administration does not favor or disfavor the decision of Puerto Rico to elect a cash system in their block grant plan. However, the administration feels strongly that the commonwealth should retain its discretion in planning its program. This discretion should be preserved.

We have no evidence that cash is inherently bad as compared with coupons. With incomes as low as they are in Puerto Rico, it is doubtful that less money will be spent on food.

In reviewing the Puerto Rico plan, we found that it was:

- sufficient to permit analysis and review,
- reasonably targeted to the most needy persons as defined in the plan,
- supported by an assessment of the food and nutritional needs of the needy,
- reasonable in terms of funds requested,
- structured to include safeguards to prevent fraud, waste and abuse in the use of grant funds, and
- consistent with all federal laws.

Although food stamps will be replaced by a nutrition allowance grant, the plan does parallel essential program features regarding eligibility and benefit determinations of the current program.

Eligibility will be based on an assets limit as well as an income limit. Households with no income will receive 93 percent of the value of the current Puerto Rico Thrifty Food Plan in the form of a check or direct bank deposit.

For households with income, 30 percent of their net income will be subtracted from the reduced thrifty food plan to determine benefit amounts. Net income is gross income with the following deductions: 20 percent of earned income, \$40 standard deduction, \$40 maximum excess shelter or child care expenditure and \$100 maximum medical deduction for persons disabled or elderly. No benefits will be paid under \$10 per month.

If benefit claims under the foregoing provisions exceed available funds, all benefit claims will be reduced by the proportion required to bring claims in line with available funds.

The program will be administered by the Puerto Rico Department of Social Services, the agency currently responsible for the food stamp program.

Puerto Rico also wants to spend about 4 percent of the grant on agricultural stimulus projects to increase food supplies and lower prices.

For instance—

- One project would expand existing projects for production and processing of garden vegetables, starchy vegetables, pork, eggs, fish and shrimp as well as sterilization of milk.

- A second project would control pests and disease in farm plants and animals.

Approval has not been given for the funding of these two projects. We have requested from Puerto Rico additional information regarding these projects.

Since Puerto Rico conformed with the statutes and requirements outlined by this department, we were able to approve its plan. On April 23, Secretary Block announced the department's approval of the Puerto Rico Nutrition Assistance Grant Plan.

The U.S. Department of Agriculture will initiate a review of the Puerto Rico program, focusing on the impact of the conversion to a nutrition assistance grant. There will be funds available for a cooperative agreement with Puerto Rico to gather data for the analysis. Most of the study will be done with in-house resources. The estimated cost will be \$600,000.

We appreciate the fact that House Resolution 423 is a suggestion to the Commonwealth of Puerto Rico, recommending that its plan be modified. As a suggestion, it recognizes the prerogative of the commonwealth, and it is a constructive effort. Our principal concern lies with safeguarding the discretion of the commonwealth to design its own program.

I appreciate the opportunity to appear before the subcommittee this morning and certainly will be pleased to provide any further information that may be required.

Thank you.

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News Releases

U.S. Department of Agriculture • Office of Governmental and Public Affairs

BLOCK URGES EUROPEAN COMMUNITY NOT TO TAKE ACTION ON CORN GLUTEN

WASHINGTON, April 16—Secretary of Agriculture John R. Block said today he had urged the Council of Agricultural Ministers of the European Community not to approve a request by the EC Commission for authority to renegotiate the zero duty binding on corn gluten feed from the United States.

Block said his letter, sent by cable to the President of the Council, "conveyed the same sentiments contained in a U.S. Senate Resolution passed yesterday urging the President of the United States to protect U.S. exports of corn gluten feed."

Block said he was "pleased at the unanimous action of the Senate on this serious threat to our agricultural trade with Europe. It affirms the broad consensus within our government that this nation's trading rights must be respected."

In the letter to Paul D. Keersmaecker, Belgian minister of agriculture and president of the Council of Agriculture Ministers, Block said "any action to restrict the free access of corn gluten to the European Community could trigger a rise in protectionism with the most harmful consequences for our mutual trade relations."

"I am sure that you and the other members of the Council will agree that such a development must be avoided in our mutual interest."

"I therefore urge you and the other Ministers of Agriculture not to approve the Commission's request for authority to renegotiate the binding on corn gluten."

Copies of the Block letter also went to other members of the Council.

The corn gluten binding has been in effect since the Kennedy Round of negotiations under the General Agreement on Tariffs and Trade (GATT) in the 1960's. U.S. exports of corn gluten feed to the European Community in 1981 amounted to 2.7 million tons valued at \$500 million.

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PANEL STUDIES NATIONAL AGRICULTURAL LIBRARY'S ROLE, STRUCTURE IN USDA

WASHINGTON, April 19—A panel representing several federal agencies and libraries is studying the National Agricultural Library's role and organizational placement within the U.S. Department of Agriculture.

"We have asked the panel to determine how USDA's organizational structure influences the library's performance and to make recommendations on its role in the USDA information system and in national and international library information systems," said Richard A. Farley, director of the library.

Farley said the panel will consider internal, external and international users; technology utilization; organization and staffing; mission and goals and alternate methods of funding for the library.

The 12-member panel, which is chaired by Ray Kline, deputy administrator of the General Services Administration, includes administrators from the USDA and other federal agencies and directors of other national libraries.

In addition, the National Association of State Universities and Land Grant Colleges is conducting a related study of the library and plans to report its recommendations to the panel. This group represents many of the schools that have cooperative agreements with the library.

The National Agricultural Library, which has one of the world's largest collections on agricultural subjects, acquires, stores and disseminates information about agriculture and related sciences to scientists and researchers, administrators and managers, farmers and the general public.

In addition to providing the traditional library services such as bibliographies, reference service and document delivery, the library is using information technology to serve a wider audience.

The panel expects to complete its final report and recommendations by Aug. 15.

Written and/or oral comments about the library may be submitted

to Sarah T. Kadec, Room 543, USDA/SEMS, 6505 Belcrest Rd., Hyattsville, Md. 20782, by June 1. Telephone (301) 436-8774.

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USDA SUSPENDS CALIFORNIA BIRD BAND RULE EFFECTIVE APRIL 20

WASHINGTON, April 19—The U.S. Department of Agriculture has suspended its March 16 interim ruling that required birds of the parrot family to be banded and documented before they could be shipped to other states from California.

John K. Atwell, a deputy administrator of USDA's Animal and Plant Health Inspection Service, said the order is being suspended because USDA does not have sufficient employees to issue the official legbands and supervise their application on qualified birds in a timely fashion.

USDA will still require birds coming into California through USDA-approved quarantine facilities to be banded. The suspended rule would have required birds raised commercially in California to be banded under direct supervision of a federal inspector before they could be shipped out of state.

"We put the banding rule into effect because illegally imported parrots have been implicated in nearly all recent outbreaks of exotic Newcastle disease," Atwell said. "This foreign disease is highly contagious and almost always fatal to poultry. Some members of the parrot family can carry and transmit the disease for months without showing any signs of the infection."

Atwell said the regulations had specified California shipments because that state appeared to be the principal channel for smuggled bird shipments to the United States. It is also one of the largest markets for parrot-type birds.

The banding rule suspension becomes effective upon publication in the April 20 Federal Register.

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RAPID FALL IN WORLD SUGAR PRICES TRIGGERS IMPORT FEE INCREASE

WASHINGTON, April 20—Sugar import fees for both raw and refined sugar will be increased one cent per pound, effective April 21, because of a recent sharp decline in world sugar prices, according to Secretary of Agriculture John R. Block.

Block said the price decline could undermine the domestic price support program unless import fees were raised.

The new fees are 4.0703 cents per pound for raw sugar and 5.1782 cents per pound for refined sugar.

The increases were required under a Dec. 23, 1981, presidential proclamation that revised the import fee system to make it consistent with the newly-enacted Agriculture and Food Act. Import fees have applied to sugar imports since November 1977.

The purpose of import fees is to protect the sugar price support program. According to Block, "Our objective is a price level which will induce sugar processors to send their sugar to the market, rather than turn it over to government warehouses. Without import fees, imports would undercut domestic sugar prices and probably force most of our domestic supplies into the hands of the U.S. Department of Agriculture's Commodity Credit Corporation."

"World sugar prices have been sliding precipitously since late March," Block said. "Essentially, this is a continuing market reaction to a heavy supply situation."

Generally favorable crop prospects in the Southern Hemisphere will add to the large 1981 crops harvested by most sugar producing free world countries, he said.

The proclamation requires changes in fees whenever the average world price rises or falls by more than one cent within ten consecutive market days. During the period April 1 - 15, prices fell to an average of 10.249 cents per pound. This compares with an average price of 11.694 cents during the period Feb. 22 - March 19, 1982, the base period for the current fee, which became effective April 1. Fees normally are adjusted at the beginning of each calendar quarter.

The newly announced fees will remain in effect until July 1, unless substantial shifts in world prices again trigger a within-quarter change.

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APRIL 16 ACREAGE REDUCTION REPORT SHOWS 179.4 MILLION ACRES ENROLLED

WASHINGTON, April 20—Farmers have signed up in the 1982 acreage reduction programs 179.4 million acres of feed grain, rice, upland cotton and wheat base acreage, according to figures released today by the U.S. Department of Agriculture. The enrolled acreage represents 79.3 percent of the 226 million acres of total base acreage.

Last week, USDA reported 130 million acres had been enrolled.

Secretary of Agriculture John R. Block said, "I'm very pleased with these signup figures. This voluntary action by our nation's farmers should illustrate that they are not willing to remain victims of our current economic situation. Instead, they are moving forward on their own to turn the situation around."

Block said in several areas of the country, many farmers waited until the last minute to sign up for the program, making it impossible to process all forms by the April 16 deadline. "These farmers were permitted to sign a register at their county office of USDA's Agricultural Stabilization and Conservation Service and will officially sign up this week and next," Block said.

These farmers and their acreages are not included in today's report. USDA will issue the final signup figures in about two weeks.

The signup was required before farmers are eligible for program benefits such as Commodity Credit Corporation loans, target price protection and—for wheat and feed grain participants—eligibility for the grain reserve.

Base acreage enrolled through April 16 includes 87 million under the the feed grain program, 3.6 million under the rice program, 13.9 million under the upland cotton program and 74.9 million under the wheat program.

Farmers who sign up to participate in the acreage reduction programs for upland cotton, rice and wheat agree to reduce the

plantings of their base acreage of these commodities by at least 15 percent while feed grain producers will voluntarily reduce plantings of their base acreage by 10 percent. The acreage taken out of production will be devoted to a conservation use.

The 1982-crop national average loan rates are: barley, \$2.08 per bushel; corn, \$2.55 per bushel; oats, \$1.31 per bushel; sorghum, \$2.42 per bushel; wheat, \$3.55 per bushel; rice, \$8.14 per hundredweight; upland cotton, \$0.5708 per pound.

Reserve loan rates are: barley, \$2.37 per bushel; corn, \$2.90 per bushel; oats, \$1.49 per bushel; sorghum, \$2.75 per bushel; wheat, \$4.00 per bushel.

Target prices for the 1982 crops are: barley, \$2.60; corn, \$2.70; oats, \$1.50; sorghum, \$2.60; wheat, \$4.05; rice, \$10.85; upland cotton, \$0.71.

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USDA EXTENDS COMMENT PERIOD TO MAY 10 ON RAISIN MARKETING ORDER PROPOSAL

WASHINGTON, April 20—Raisin growers, handlers and consumers now have until May 10 to give the U.S. Department of Agriculture their views on whether the federal marketing order covering California raisins should be amended.

Charles Brader, a marketing official with USDA's Agricultural Marketing Service, said the Raisin Administrative Committee requested an extension of the April 8 deadline. The committee, which works with USDA to administer the marketing order program, wanted more time to review its original proposal and to submit any necessary changes.

The original proposal would:

- Change the method of establishing marketing policy to make it more timely;
- Add provisions for promotion, advertising and export incentive programs, and
- Make changes in committee representation and nomination procedures.

Brader said USDA eventually may hold a public hearing on a proposed amendment to give everyone interested a chance to testify. He said USDA would develop a recommended decision after public comment and exceptions were considered.

To become effective, any changes in the marketing order would have to be approved by affected raisin growers.

Copies of the proposal may be obtained from David Bokan, Rm. 2535-S, AMS, USDA, Washington, D.C. 20250; phone (202) 447-2681. Comments should be sent to the same office, where anyone may see them.

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USDA EXTENDS MATURITY DATE ON 1981-CROP CORN AND SORGHUM

WASHINGTON, April 22—Producers with 1981-crop corn and grain sorghum commodity loans now have the option to extend their loans for an additional six months, Secretary of Agriculture John R. Block said today.

"This option is being offered because prices for these commodities are currently low," Block said.

All producers with outstanding loans on these commodities are eligible, he said.

Extended 1981-crop loans will continue to bear interest at the rate applicable to the loan. Interest on 1981-crop loans is calculated to reflect the U.S. Department of Agriculture's cost of borrowing money from the U.S. Treasury.

Producers wishing to extend their loans should contact their county office of USDA's Agricultural Stabilization and Conservation Service, Block said.

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LOWER VEGETABLE PRICES PUSH MARCH FOOD CPI DOWN

WASHINGTON, April 23—The consumer price index released today indicates food prices fell one tenth of a percent in March (before seasonal adjustment), according to Assistant Secretary of Agriculture William Leshner.

"Prices for food bought in grocery stores were down 0.3 percent in March, following increases of 1.3 and 1.0 percent in January and February, respectively. Prices for food purchased away from home were up 0.4 percent in March," Leshner said.

"The major factor holding down food prices in March was a recovery in supplies of fresh vegetables," Leshner said. Retail lettuce prices were down almost 34 percent, reflecting an increase in supplies following the temporary shortages caused by insect damage earlier this year in California. Also, tomato prices fell 10.5 percent as supplies recovered from the low levels caused by the January freeze in Florida.

Meat prices were up 0.4 percent, led by a 1.7 percent rise in prices for processed meats. This primarily reflected a passthrough of higher livestock prices from January and February that were caused by weather-related livestock marketing disruptions, Leshner said.

Retail egg prices fell 4.8 percent in March due to increased supplies.

Prices for cereals and bakery products rose 0.1 percent as declining farm prices for wheat, rice, and raw sugar partly offset rising marketing costs. Fresh fruit prices rose 2.3 percent, largely due to seasonally lower supplies of apples, bananas, and oranges.

The fats and oils CPI fell 0.3 percent, reflecting large supplies of vegetable oils and lower peanut butter prices. The sugar and sweets CPI was up 0.4 percent as higher marketing costs were moderated by lower raw sugar prices in February and March.

Retail food prices this year are expected to average 5 to 7 percent higher than last year, with the current assessment indicating a rise of about 6 percent. This would be the fourth consecutive year of food prices rising less than the general inflation rate. A 6-percent rise would also be below the 1981 rise of 7.9 percent, continuing the pattern of slowing annual food price increases that began after 1979.

March Retail Food Prices, Percent Changes for Selected Items

Items	February to March		March 1981 to March 1982
	Not seasonally adjusted	Seasonally adjusted	
	<i>Percent change</i>		
All food	-0.1	-0.4	4.0
Food away from home	0.4	0.2	5.7
Food at home	-0.3	-0.6	3.2
Meats	0.4	0.1	2.7
Beef and veal	0.1	-0.4	0.5
Pork	0.3	0.3	8.1
Other meats	1.7	1.4	1.5
Poultry	-0.5	-0.4	-3.4
Eggs	-4.8	-1.9	8.1
Fish and seafood	0.7	0.9	4.9
Dairy products	0.0	*	1.6
Fats and oils	-0.3	*	-3.5
Cereals and bakery prods.	0.1	*	5.5
Fruits and vegetables	-2.8	-3.5	5.4
Nonalcoholic beverages	0.3	0.5	3.1
Sugar and sweets	0.4	*	-4.6
Other prepared foods	0.5	0.5	6.9

* No seasonally adjusted index available.

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BLOCK ANNOUNCES PLAN FOR PUERTO RICO TO
REPLACE FOOD STAMPS WITH CASH ASSISTANCE

WASHINGTON, April 23—Secretary of Agriculture John R. Block today announced approval of a plan by Puerto Rico to replace its fast growing food stamp program with a cash assistance grant, effective July 1.

The Omnibus Budget Reconciliation Act of 1981 provided for the general nutrition assistance grant in Puerto Rico.

The act allows the commonwealth flexibility in administering a nutrition assistance program. It set funding for the grant at \$825 million annually—about 25 percent below the existing \$1.1 billion annual food stamp funding in the commonwealth. Puerto Rico's plan provides for reducing program costs while targeting benefits to the lowest income recipients.

"The grant developed out of a recognition that Puerto Rico's food stamp program was growing rapidly and that alternative approaches might better serve the commonwealth," Block said. "Nearly 60 percent of the Puerto Rican population, or 1.8 million persons, currently receive food stamps."

Block said the U.S. Department of Agriculture would continue working with Puerto Rico in effectively implementing the plan. "This proposal is an innovative effort by the commonwealth to meet the food assistance needs of the island," he said.

USDA had 30 days from the date of submission of the plan on March 24 to approve or disapprove. Approval of the plan allows for the efficient implementation of the program by July 1.

#

USDA AND EPA SET FIRE ANT SYMPOSIUM FOR JUNE IN ATLANTA

WASHINGTON, April 26—The U.S. Department of Agriculture and the Environmental Protection Agency will hold a public symposium about the imported fire ant and its control June 7-10 in Atlanta, Ga.

The symposium, which will be held at the Atlanta American Hotel, 160 Spring St., Atlanta, will address the impacts of the ant, as well as research needs and control techniques. USDA will use information gained at the symposium in conducting cooperative programs and the Environmental Protection Agency will use the information in its regulatory decision process.

Harry C. Mussman, administrator for USDA's Animal and Plant Health Inspection Service, and John A. Todhunter, assistant

administrator for pesticides and toxic substances, Environmental Protection Agency, will speak at the general opening session.

Other topics and speakers for the general opening session will include:

- Biology and history of the imported fire ant—Walter R. Tschinkel, Florida State University;

- State perspective of the imported fire ant—Reagan Brown, Texas Commissioner of Agriculture; and

- Environmental perspective of the imported fire ant—Carolyn Carr, Gulf Coast region vice president, Sierra Club.

About 50 experts have been invited to serve on six panels, with these chairmen:

- Socio-economic impact of imported fire ant—J. Charles Headley, professor of research economics, University of Missouri;

- Theory of population dynamics—Dean L. Haynes, professor of entomology, Michigan State University;

- Population dynamics of the imported fire ant—Fowden G. Maxwell, chairman, Department of Entomology, Texas A&M;

- Environmental toxicology—Robert L. Metcalf, professor of insect toxicology and control, University of Illinois;

- Management of established vs. introduced pests—Harold T. Reynolds, head of entomology division, University of California, Riverside; and

- Imported fire ant management strategies—Richard J. Sauer, director, Agricultural Experiment Station, University of Minnesota.

Panel members and recording secretaries for each panel will be named later. Fred Tschirley, Michigan State University, is chairman of the symposium being managed by the Intersociety Consortium for Plant Protection. The registration fee is \$20.

The closing general session will include presentation of the panel workshop reports, plus development of plans for recommended research needs necessary for management of the imported fire ant.

USDA and EPA need to know how many people will attend. If you plan to attend the symposium, contact: Fred Tschirley, Department of

Botany and Plant Pathology, Michigan State University, East Lansing, Mich. 48824. Phone (517) 355-5237.

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BLOCK ANNOUNCES NEW USDA PROGRAM TO PREVENT CHEMICAL RESIDUES IN FOOD ANIMALS

WASHINGTON, April 26—Secretary of Agriculture John R. Block said today the U.S. Department of Agriculture has begun a new program to help farmers eliminate drug and chemical residue problems in livestock and poultry sold for slaughter.

"Reducing the potential for residue contamination benefits both producers and consumers of meat and poultry," Block told members of the Newspaper Farm Editors of America, meeting here. "Farmers would avoid the risk of having their animals or poultry condemned by USDA inspectors, and there would be greater assurance to consumers that their meat and poultry products are wholesome.

"The total residue avoidance program—TRAP—will help producers 'trap' drugs and chemicals on the farm before they become residue problems," Block said. "Instead of reacting to residue problems after they occur, we will focus on preventing them in the first place."

Block said TRAP is a cooperative effort between USDA and producer associations. In addition to on-farm assistance, USDA is developing new methods for producers to quickly test their animals for residues before sending them to slaughter. USDA-sponsored research on simple, accurate residue tests is an on-going and major part of the program, he said.

Residues in meat and poultry can result from a variety of sources, such as pesticides, environmental contaminants and animal drugs administered to treat or prevent disease and promote growth.

Block said today's high technology farming depends on the use of drugs and chemicals for disease and pest control. He said, however, any misuse of these compounds not only poses a threat to public health but also jeopardizes their continued use on the farm.

Education materials developed for TRAP will alert farmers to points in their production systems where residue problems can originate. For

example, residues from drugs and medicated feeds occur when the drug is used too near the time of slaughter. Other residue problems can be associated with water supplies, pesticides, equipment and building materials.

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USDA'S HAMISH N. MUNRO AWARDED \$40,000 FOR NUTRITION RESEARCH

LONDON, April 27—A Scottish-born U.S. Department of Agriculture scientist, Hamish N. Munro, today was awarded a \$40,000 British prize for nutrition research.

Munro was honored by the J. Arthur Rank Foundation at a symposium here for his work in defining the balance of nutrients that the human body needs as it grows older.

He joins a list of leading international scientists who have been cited since 1972 for outstanding human nutrition research by the foundation, established by British filmmaker J. Arthur Rank.

Munro, born in Edinburgh, Scotland, is recognized as an authority on how the body uses amino acids and proteins. He came to the United States in 1966 as professor of physiological chemistry in the Department of Nutrition and Food Science at Massachusetts Institute of Technology.

He has continued his research since becoming director in 1980 of the Human Nutrition Research Center on Aging operated by USDA's Agricultural Research Service at Tufts University in Boston.

At the center, Munro's research focuses on how nutrition affects progressive changes in the body's tissue composition during aging.

The center headed by Munro is one of five human nutrition research centers that are part of USDA's Agricultural Research Service. The others are devoted to the study of childhood nutrition, trace minerals, nutrition and health relationships, and the nutritional status of humans.

Munro is a member of the National Academy of Sciences.

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USDA NAMES WINNERS IN 2ND ANNUAL FOOD SAFETY POSTER CONTEST

WASHINGTON, April 28—Three school children from Connecticut, Nebraska and Pennsylvania have won the top prizes in the second annual food safety poster contest sponsored by the U.S. Department of Agriculture's Food Safety and Inspection Service.

First prize winners are: Leonard Motolese, 6, Our Lady Help of Christians School, Allentown, Pa., grades K-1; Marie Heinrihar, 9, Sacred Heart School, New Britain, Conn., grades 2-4, and Karen Carstensen, 10, Wake Robin Elementary School, Bellevue, Neb., grades 5-6.

An estimated 150,000 elementary school children from every state participated in this year's contest. School teachers submitted more than 35,000 of the best posters by the March 15 deadline.

Donald L. Houston, administrator of USDA's Food Safety and Inspection Service, said the youngsters participated in classroom activities aimed at learning how to pack a safe brown bag or box lunch. They were then asked to draw a picture illustrating any part of packing safe homemade lunches.

"This year's entries were lively and imaginative," Houston said. "They demonstrated that the children who participated learned basic food safety procedures. We are pleased and encouraged, since more than 2 million cases of food poisoning occur each year, many of them involving children."

First prize in each category is a \$100 U.S. savings bond and a trip to Washington, D.C., for the students and their parents. Students will receive their awards at a special ceremony to be held this summer. In addition, the teachers of winning students are sent a \$100 U.S. savings bond. Leonard Motolese's teacher is Sister Loretta; Marie Heinrihar's teacher is Sister Mary Benedict, and Karen Carstensen's teacher is Mrs. Barbara Ludwig.

Second prize winners are: Cheryle Hewitt, 7, Harding School, Ferndale, Mich., grades K-1; David Matthias, 10, Crestview North Elementary School, Convoy, Ohio, grades 2-4; and Michelle Lentz, 11, Jerseyville East Elementary School, Jerseyville, Ill., grades 5-6. Third

prize winners are: Martha Fyffe, 7, Harding School, Ferndale, Mich., (the same school as the second prize winner) grades K-1; Rachel Kaplan, 9, Alexander Robertson School, New York, N.Y., grades 2-4, and Tracy Nakamura, Heeia Elementary School, Kaneohe, Hawaii.

Second and third prize winners receive a \$50 U.S. savings bond. All prizes are being donated by USDA's Welfare and Recreation Association, an employee organization.

All other finalists and semi-finalists will receive food safety ribbons and certificates of merit.

The Food Safety and Inspection Service is the federal agency responsible for inspecting meat and poultry products to assure that they are safe, wholesome and properly labeled.

Contest judges were: Rep. William C. Wampler, (R-Va.); Edward Keller, deputy executive director, National Association of Elementary School Principals; Bill Rechin and Don Wilder, nationally syndicated cartoonists for "Crock"; Karen Brown, vice president for communications, Food Marketing Institute; Tom Smith, research director, Community Nutrition Institute; George Watts, president, National Broiler Council; Marilee Menard, vice president for public affairs, American Meat Institute; Allison Wilber, picture editor, National Geographic; Lupe Aguirre, National Association of Farm Worker Organizations; Roselyn Epps, chairman, Maternal and Child Health Council, National Medical Association; Joyce Short, treasurer, National Association of Technical and Supervisory Professionals; Albert Carey, regional representative, National Association of Federal Veterinarians; James Murphy, chairman, National Joint Council of Food Inspection Locals, and C.W. McMillan, assistant secretary of agriculture for marketing and inspection services.

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USDA ADDS NEW SECTIONS OF STATES TO AREAS REGULATED FOR GYPSY MOTH

WASHINGTON, April 28—The leaf-eating gypsy moth continues to strip forest, shade and ornamental trees in the Northeast, and U.S.

U.S. Department of Agriculture officials have put new areas under regulation to help keep it out of the rest of the country.

Gary Moorehead, a plant protection officer with USDA's Animal and Plant Health Inspection Service, said the revisions reflect changes in the spread and distribution of the gypsy moth during 1981 when gypsy moth caterpillars defoliated over 13 million acres, more than double the 5.1 million acres stripped of leaves in 1980.

Moorehead said gypsy moth regulations designate areas as "high risk" and "low risk." The level of risk reflects the possibility of people carrying gypsy moth egg masses, caterpillars, pupae or adults to uninfested areas on certain products or articles.

High risk regulated areas include part of Fulton County, Ark., and part of Isabella County, Mich. All other high risk areas are found in New England and the mid-Atlantic states. They include all of Massachusetts, Rhode Island, Connecticut and New Jersey; and major parts of Maine, New Hampshire, New York, Pennsylvania, Delaware and Maryland.

New areas added to the high risk category this year are New Castle County, Del.; Baltimore city, and Carroll, Cecil, Frederick and part of Washington counties, Md.; Bedford, Cameron, Fulton, Somerset and Tioga counties, Pa.; Grand Isle and Windsor counties, Vt.; all of New York city, and parts or all of Cayuga, Chemung, Jefferson, Madison, Oneida, Oswego, Schenectady, Schuyler, Seneca, Steuben and Yates counties, N.Y.

Low risk areas include parts of California, Delaware, Illinois, Maine, Maryland, Michigan, Nebraska, New Hampshire, New York, North Carolina, Ohio, Oregon, Pennsylvania, Vermont, Virginia, Washington, West Virginia and Wisconsin.

"We are particularly concerned about moving such items as mobile homes, recreational vehicles, tents, lawn furniture, firewood and nursery stock," Moorehead said. "Gypsy moths often lay eggs or seek shelter on these items."

Under USDA rules, regulated articles may move freely between high risk and low risk areas, or between low risk and unregulated areas. However, regulated articles and products must be inspected, treated if necessary, and certified free of the pest if they are moved from high risk to unregulated areas.

These changes in gypsy moth regulated areas will be effective when they are published in the April 28 Federal Register. Public comments on these regulations may be submitted until June 22 to Regulatory Support Staff, Plant Protection and Quarantine, APHIS, USDA, Federal Building, 6505 Belcrest Rd., Hyattsville, Md. 20702.

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WHEAT INDUSTRY COUNCIL BUDGET FOR 1983 RESEARCH AND EDUCATION PROGRAM IS \$700,000

WASHINGTON, April 28—The Wheat Industry Council budget for a nationally coordinated wheat and wheat foods research and nutrition education program will be \$700,000 in fiscal year 1983, a U.S. Department of Agriculture official said today.

Thomas H. Porter, an official of USDA's Agricultural Marketing Service, said the budget for July 1, 1982, through June 30, 1983, features a consumer nutrition education program which will use national and regional spokespersons to tell the public about the nutritional value of foods containing wheat.

Porter said the program was authorized under the Wheat and Wheat Foods Research and Nutrition Education Act and is conducted according to an order approved in March 1980 by wheat end product manufacturers. It is financed with funds collected by assessing manufacturers of wheat end products.

The Wheat Industry Council prepares the budget and administers the program. Council offices are located at 6000 Executive Blvd., Suite 203, Rockville, Md. 20852.

Under the program, assessments of 1 cent per hundredweight—45 kilograms—of wheat bought by end product manufacturers began to accrue June 1, 1981. Manufacturers can receive refunds of assessments paid during the coming year. They must, however, reserve the option to request refunds by notifying the council by registered or certified mail within 60 days of publication of the council's budget in the Federal Register.

The budget is scheduled to be published in the April 30 Federal Register.

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USDA EXTENDS COMMENT PERIOD TO JUNE 4 ON PROPOSED PECAN MARKETING ORDER

WASHINGTON, April 29—Pecan growers, shellers and the public now have until June 4 to give the U.S. Department of Agriculture their views on a proposal to establish a federal marketing order for pecans produced in 16 states.

Charles Brader, a marketing official with USDA's Agricultural Marketing Service, said several persons requested an extension of the April 23 deadline to review and respond to the proposal.

Under the proposal, submitted to USDA by a growers' organization, the production area would include Alabama, Arizona, Arkansas, California, Florida, Georgia, Kansas, Louisiana, Mississippi, Missouri, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee and Texas.

The proposal would provide for marketing research and development projects for pecans, including promotion and paid advertising. Projects would be financed with assessments to be paid by pecan shellers on pecans shelled in the continental United States. A 14-member board of growers, shellers, grower-shellers and a public member would work with USDA in administering the program.

Based upon the nature of the comments received by June 4, Brader said USDA eventually may hold public hearings on the proposed order.

To become effective, any program would ultimately have to be voted on and approved by growers currently producing pecans in the designated production area.

Copies of the proposal may be obtained from Allen Belden, Rm. 2541-S, AMS, USDA, Washington, D.C. 20250; phone (202) 447-7920. Comments should be sent to the same office, where they will be on public display.

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